Saskatchewan
Housing
Corporation

SASK. LEGISLATIVE L
SEP 1 0 1985
INA

Housing in Saskatchewan

A Strategy For Progress

Saskatchewan Builds Partnership For Progress

86-01679/

Minister's Message

The Government of Saskatchewan's housing commitment is based on co-operation, discussion and action. Programs have been developed to strengthen the working partnership between all sectors.

As housing minister, I am pleased that the Saskatchewan Housing Corporation is responding to the needs expressed by the people of our province. An excellent federal-provincial relationship is encouraging the development of innovative new programs.

The housing direction being taken in our province is one which is both responsive and responsible. It will continue to provide employment while improving the general quality of life in Saskatchewan.

Honourable Sid Dutchak.

Housing in Saskatchewan

A Strategy For Progress

The people of Saskatchewan enjoy one of the highest standards of housing in Canada. Social, economic and demographic changes in the 1980s and 1990s, will place substantial pressure on this standard. A strategy to respond to these pressures and maintain the standard of housing in Saskatchewan is imperative.

An adequate supply of housing must exist to accommodate the demands of our growing population. Responding to these demands will continue to spur our economy, increasing employment as well as the general quality of life.

The production of this housing supply will ensure the effective use of resources by the private and non-profit sectors as well as all levels of government.

The housing policies of our provincial government are designed to meet these identified needs while encouraging and supporting co-operation between all sectors.

Direction of Housing

Public involvement in housing has traditionally been cyclical, redirecting resources or stimulus as the economy dictated. This has resulted in a lack of stability in the housing sector as well as an ineffective use of public resources.

The continued availability of adequate and suitable housing for Saskatchewan can only be achieved through policies directed toward long term needs. The creation of these policies involves:

1) realistic production targets based on demand and the specialized needs of Saskatchewan's population over the next decade;
2) the private sector continuing to act as the major supplier of housing with the government's role being:
   i) to create an atmosphere conducive to ensuring adequate levels of production
   ii) to affect direct public support for those unable to compete in the market place.

Long Term Requirements

In the past two decades, a significant portion of new housing demand came from the entry of new, young families into the housing market. This phenomenon has now passed and although demand will continue to be created from young people entering the market, it will be at a significantly reduced rate from the annual 10,000 unit demand of the 1970s. In the late 1980s and early 1990s, Saskatchewan will have a need for approximately 6,000 new housing starts per year.

In conjunction with this reduced rate of new family formation, households in Saskatchewan have continued to age. Projections indicate there will be an increase of approximately 23,500 individuals age 65 and over between 1981 and 2001. This will translate into an increase of 15,000 households over that period, an annual growth rate of 1% per year.

This growth and aging of the population creates a number of significant challenges in the housing sector. As people age the costs and tasks associated with the upkeep, design and location of their homes can become liabilities. However, it is also a time when many people have accumulated a significant source of cash equity through their homes.

Consequently, many seniors are now living in accommodation more suitable for families. At the same time many families cannot meet the costs of constructing new homes.

The future challenge to the housing sector will be to stimulate the construction of new, more appropriate forms of accommodation for seniors. This would allow families to obtain existing units at prices they can afford. It would also ensure that more affordable new housing initiatives are identified through the private sector.

Housing Strategy

The housing strategy adopted by the province will focus on five items:

a) the targeting of direct housing subsidies to those most in need;

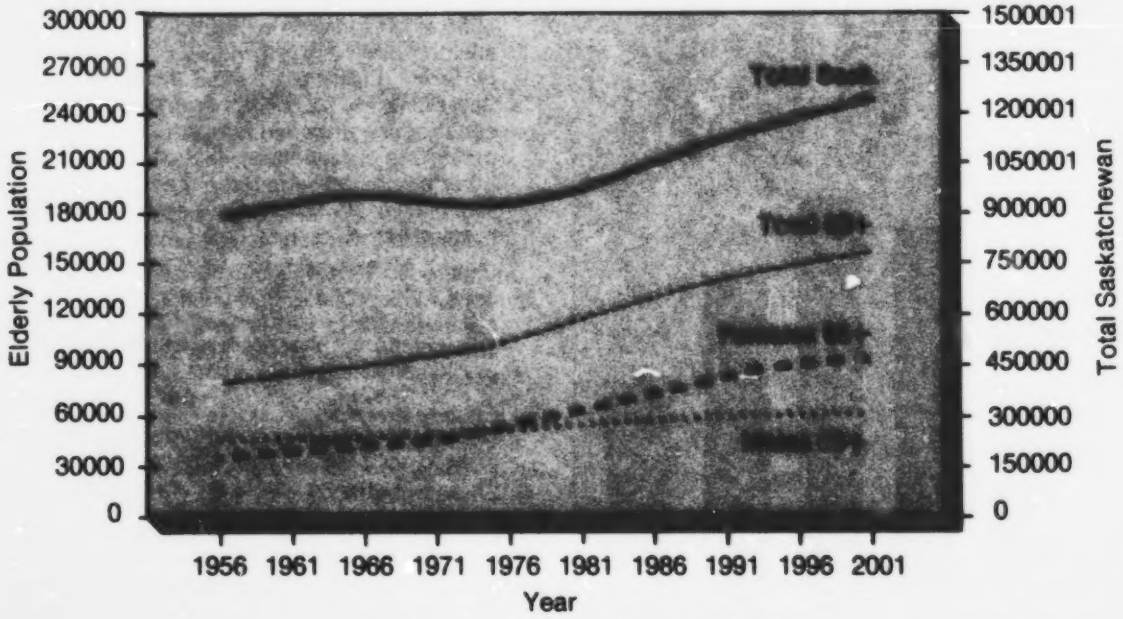
b) providing a "safety net" to ensure that basic housing needs are met;

c) stimulation of the housing sector to ensure delivery of appropriate housing quantity and quality;

d) stimulating participation by the private sector to ensure affordable housing;

e) stabilizing employment levels for workers in the residential construction industry.

Total Saskatchewan And Elderly Population 1956 - 2001



Source: Stats Can and SBS Medium Population Projection

Direct Action

In response to the major housing requirements of Saskatchewan the Provincial Government has taken direct action in a number of areas.

1. **Nursing Homes**
   Aging as a factor in generating demand for alternate shelter will become more significant over the next twenty years. The number of "frail elderly" or 75 plus individuals in the seniors population will have surpassed the number of young elderly by the year 2001. Nationally, Saskatchewan already has the highest proportion of its elderly population over the age of 75 plus.

   This aging translates into greater numbers of persons requiring health related services.

   Due to an extended period of limited or no nursing home construction during the late 1970s, demand for such accommodation was allowed to grow phenomenally. Waiting periods for nursing beds extended well past a year. This caused extreme hardship for many seniors and their families. It also led to the less effective use of expensive acute care hospital beds.

   In March of 1984, the Province's Finance and Health Ministers announced construction or renovation of 1,500 beds over the next five years. Production is now ahead of schedule with high expectations of surpassing this initial goal.

   In 1985 alone, contracts will be given for the construction and renovation of over 600 nursing beds.

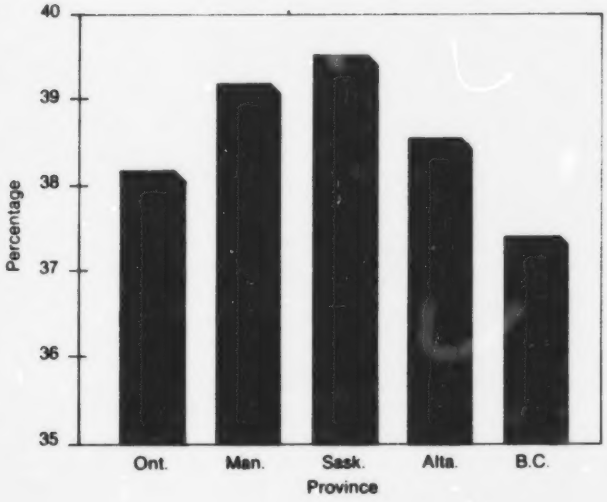
2. **Enriched Housing**
   In an effort to maximize independence for seniors, who have only minor difficulties in performing tasks associated with daily living, Saskatchewan has begun a program of constructing enriched housing units. These projects in conjunction with home care and other community support agencies, provide a viable alternative for seniors not requiring a nursing home.

   Initiated in 1984, this program resulted in the construction of 150 new units in 13 communities. In 1985 this was expanded to 334 units in 19 different rural and urban centres.

3. **Existing Inventory**
   Over the past twenty years, 20,603 social housing units have been built in Saskatchewan.

   Of these units, 11,451 are for senior citizens, 8,967 for families and 185 are for disabled persons. These units are located throughout Saskatchewan.

Proportion of Elderly Population Aged 75 Plus: Selected Provinces



Social Housing Portfolio

Type of Program	Seniors	Families	Disabled	Total
Rural Housing		3,087		3,087
Public Housing	8,659	2,891	141	11,691
20% Grant	2,584			2,584
Urban Native		665		665
Non-Profit Rental	208	2,324	44	2,576
	11,451	8,967	185	20,603

With an administrative budget in excess of $100 million per year, it is important to ensure that the best use of this existing resource is made. The government has:

a) continued to shift administrative policy to ensure the majority of public family units are directed towards the "working poor";

b) continued to upgrade units to reflect the enhanced security and health requirements of aging senior tenants;

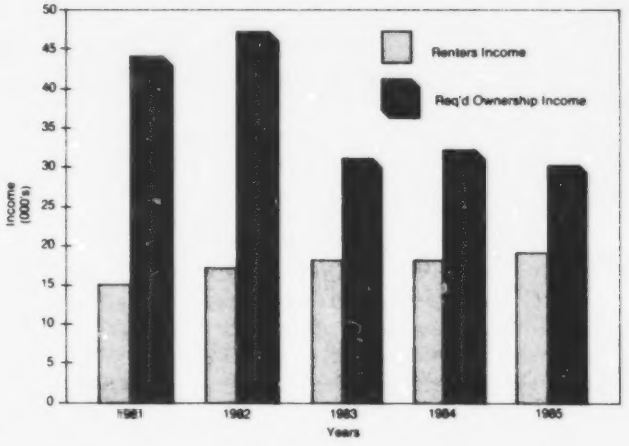
c) developed a more sophisticated property management function at the community level.

4. **Family Housing In Small Centres**
The provision of alternate, more suitable accommodation for the elderly will open up more affordable accommodation for lower income families.

In 1985, the province will direct 65% of its Rural Housing budget to the provision of enriched housing units in small centres. In subsequent years the province will purchase existing units in these same centres for families. This serves the dual role of providing a buyer for a senior's unit, allowing them to move to more appropriate accommodation, and at the same time providing families with affordable housing.

Projects will be more specialized for urban families. Targetting will be directed to specific needs groups such as single parents.

Improving Access to Home Ownership



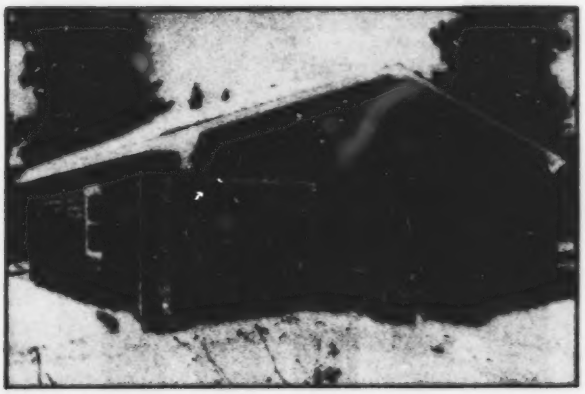
5. **Support to Other Delivery Agents**
The Province of Saskatchewan has traditionally enjoyed a high rate of volunteerism in housing. Prior to development of the current system of public housing, local community church and service club groups provided accommodation to those in need.

Recognizing the desire of these community groups to continue providing local housing, the province will be initiating a new grant program.

A grant of up to 25% of a project's capital cost will be provided to private groups who wish to support a long term project for the elderly. The government will also help these groups to obtain adequate financing by providing guarantees to lenders offering first mortgage financing.

6. **Experimental Housing**
Current housing forms do not always meet the requirements of households in need of aid. In order to meet the specialized needs of more households while examining more cost effective ways of delivering housing, the government has introduced a number of experimental or pilot programs. Examples of such programs are:

a) Elder Suites
The addition of independent living units to existing homes will allow seniors to remain in a family environment which provides support for their health, safety and security. Initially, this will be undertaken in select rural communities.



b) Log Housing
Over the past decade, the housing forms available to northern residents have reflected neither the climatic conditions nor the life-styles of these households. This has resulted in both the frustration of northern residents and a misdirection of public funds.

In 1985, the province has invited northern residents to participate in building their own log homes. These homes will use local materials, be affordable and provide a viable life-style option to northern families.

c) Native Housing
The province has continued to innovate with housing forms and property management for natives in urban areas. Recent initiatives have included promotion of native self management and the construction of specialized projects.

7. **Home Improvement**
The existing housing stock in the province is a $17 billion resource. As a resource it must be preserved for future generations.

In order to maintain existing dwelling conditions, the demand for home renovation will continue to increase substantially during the 1980s. In 1975, expenditures on home repair in the province totalled some $43.5 million; by 1985 they have risen to over $100 million. This has created a strong residential home repair industry in the province.

In 1982, 110,000 dwellings, roughly one-third of the total Saskatchewan housing stock, were in need of repairs.

A significant portion of the Saskatchewan housing stock is also reaching the end of its economic life.

Government home renovation programs such as the Senior Citizen's Home Repair Program have committed over 16,000 grants representing $15 million in the past year. These programs serve the dual role of aiding households with limited incomes to maintain their older home while encouraging the development of a growing private home repair industry.

8. **Home Ownership**
Saskatchewan continues to have one of the highest proportions of home ownership in Canada. That tradition will be maintained.

Over the past decade, fluctuating interest rates and rising costs of construction have made buying a home increasingly difficult for both current home owners and families wishing to purchase their first home.

The continued extension of the Mortgage Interest Reduction Program (MIRP) has placed a cap on interest rates for home owners. While interest rates are currently below the 13¼% maximum, this safety net assures owners that they can maintain their home regardless of upward pressures in the economy.

9. **Land Supply**
To meet the housing demands of the province there must be an adequate supply of serviced land in each community.

The province aids both urban and rural municipalities in maintaining this land base for residential developments. The aid given is in the form of either direct support with capital financing for developments in smaller centres or through long-term land banking in larger centres.

The province has reformulated its residential land policy to ensure maximum benefits from the use of its resources. For example, the trust funds developed from the profits made on the sale of public land will be used for cultural, social and recreational facilities.

The province has also developed several experimental initiatives designed to enhance private involvement in both the development and banking of land. Co-operative ventures in development, marketing and advertising provide the most promising route to establishing an adequate and competitive land base for future housing growth. This will continue to add stability to a traditionally volatile housing sector.

10. **Employment**
The residential construction sector of the province is a major source of employment in Saskatchewan. The housing programs and policies developed by the province will help to not only maintain this level of employment but will add a degree of stability to the industry.

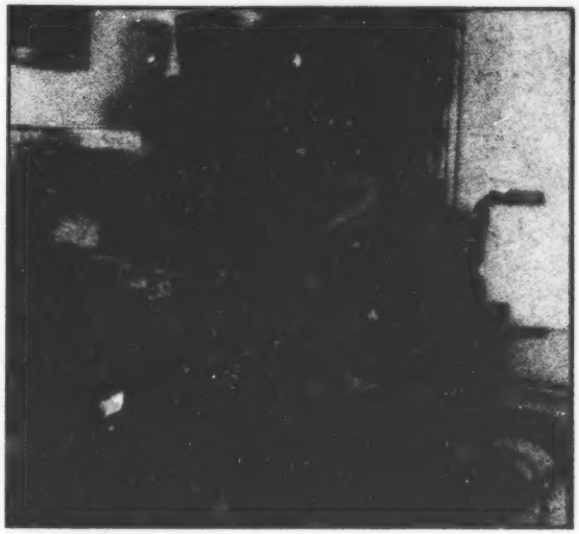
In 1985, the federal and provincial governments will award $80 million for new housing contracts in Saskatchewan. This will create 1,000 person-years of employment within the province and an almost equal number of jobs in other areas of Canada.

In 1985, the rehabilitation and new housing programming of the public sector in Saskatchewan will support 1,700 person-years of employment.

As this level of activity continues, it will not only create needed housing but will also act as an anchor for the industry.

Summary

This strategy is intended to meet the housing demands and specialized needs of the citizens of Saskatchewan. The general framework within which this strategy is being pursued is one of co-operation.



Federal-Provincial relations have entered a new era. An era embodied with a creative atmosphere in which major structural improvements are being discussed. These changes alone will allow the development of new initiatives intended to stabilize mortgage rates and terms along with new vehicles for the delivery of social housing programs.

Within the province, the government has striven for a new, responsive approach to housing. This has resulted in a strategy wherein the government acts as a facilitator in developing housing for the people of Saskatchewan.

The provision of a safety net for those in need has been accomplished through an ongoing dialogue with such groups as seniors, natives and the disabled. The government will continue to look to the people of our province for input on the direction of housing in Saskatchewan.